

**Kansas Administrative Regulations  
Economic Impact Statement  
For the Kansas Division of the Budget**

Kansas Department of Health and Environment  
Agency

Susan Vogel  
Agency Contact

296-1291  
Contact Phone Number

K.A.R. 28-1-20  
K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to:

Division of the Budget  
900 SW Jackson, Room 504-N  
Topeka, KS 66612

**I. Brief description of the proposed rule(s) and regulation(s).**

K.A.R. 28-1-1. Immunizations; schools, child care facilities, family day care homes, and preschool or child care programs operated by a school. This amended regulation adds two additional diseases, hepatitis A and meningitis, to the list of diseases individuals attending school are required to be vaccinated against. It also includes updated language to be consistent with definitions in regulations related to individuals attending school and nomenclature used to identify child care facilities.

**II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)**

This regulation amendment is not mandated by the federal government. However, this regulation as amended is aligned with the recommendations of the Advisory Committee for Immunization Practices (ACIP). The ACIP comprises medical and public health experts who develop recommendations on the use of vaccines in the civilian population of the United States. The recommendations stand as public health guidance for safe use of vaccines and related biological products. This regulation as amended brings Kansas in line with the majority of state requirements nationwide. The contiguous states vary in their requirements. Oklahoma requires vaccine for hepatitis A and Missouri requires vaccine for meningitis. Neither Nebraska or Colorado mandate vaccinations for either disease.

**III. Agency analysis specifically addressing following:**

**A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;**

The health of employed individuals and of family members of individuals will enhance business activities and growth by having a stable and productive workforce with less absenteeism. Healthy employees with healthy families are an invaluable asset to any business.

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**B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;**

The estimated total cost for compliance across all sectors is \$2,789,529.00. This estimate is based on the cost of vaccine and the administration fees associated with each vaccination for the estimated 27.9% of children ages 12 – 17 who are not currently vaccinated. The calculation was determined based on the estimated percentage of children covered under various insurance sources nationally then applied to the number of Kansas children ages 12 – 17 whom would be impacted by this regulation. Cost to individuals with no insurance is \$20.26 administrative fee only with the cost of the vaccine covered by the Federal Vaccines for Children Program (VFC). Private and Military Insurance costs is \$44.59 per vaccine which includes the cost of vaccine plus administration fee. The cost for Medicaid is the administrative fee of \$20.26 per vaccination with the cost of the vaccine covered by the VFC program. Note that 72.1% of children in this age group are already estimated to be in compliance. This chart demonstrates the distribution of cost:

	Private Pay	Private Insurance	Military Insurance	Medicaid (VFC)
Estimated portion of population	4.95%	60.35%	4.53%	30.17%
Portion of Total Population	11,822	144,129	10,819	72,053
Unvaccinated Estimate	3298	40,212	3,019	20,103
Cost to patient	\$ 66,817.00	\$ -		
Cost to 3rd party		\$ 1,793,053.00	\$ 134,617.00	\$ 407,287.00
Federal Costs (VFC vaccine)	\$ 54,648.00	\$ -	\$ -	\$ 333,107.00
Cost per Vaccination to patient	\$ 20.26	\$ -	\$ -	\$ -
Cost per vaccine to 3rd party		\$ 44.59	\$ 44.59	\$ 20.26
Cost per vaccine to VFC	\$ 16.57	\$ -	\$ -	\$ 16.57

**C. Businesses that would be directly affected by the proposed rule and regulation;**

Health insurance companies will be impacted but disease prevention may neutralize the cost.

**D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;**

Meningitis may lead to death within hours of disease development and can also be highly contagious to those who come in contact with the infected person. If death does not occur, lifelong physical deformities are the most common complication of meningitis, impacting that individual's ability to work and/or care for themselves. Hepatitis A causes severe nausea, diarrhea, fevers and other symptoms that may lead to hospitalization. This disease is highly contagious even when the infected individual is not symptomatic. Hepatitis A can be spread to others for up to three weeks, causing outbreaks of the disease. Outbreaks result in large numbers of school absences as well as adult absence from work due to illness, ultimately resulting in a financial impact on the family income.



**E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;**

The agency will provide ongoing support of indigent and uninsured individuals to minimize the impact. No additional measures can be taken by the agency to minimize impact.

**F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.**

\$2,789,529. The cost savings by prevention of illness is expected to neutralize any associated cost with the vaccine. A retrospective analysis using United States (US) managed care insurance claims and hospital discharge records estimated a total 1-year direct medical cost burden of \$65,980 (2009 USD) per patient with IMD, including all post-discharge care up to 1 year following the initial hospitalization. (*Davis KL, Bell TJ, Miller JM, et al. Hospital costs, length of stay and mortality associated with childhood, adolescent and young adult meningococcal disease in the US. Appl Health Econ Health Policy 2011;9:197–207.*) A 2008 US economic analysis that included direct medical and indirect societal costs estimated a lifetime cost per case of IMD at \$194,000 (\$295,000 when including the indirect cost of intelligence quotient loss). (*Davis KL, Misurski DA, Miller JM, et al. Cost of acute hospitalization and post-discharge follow-up care for meningococcal disease in the United States. Hum Vaccin 2011;1:96–101.*) Anonychuk et al. found that the total cost of IMD outbreak containment varied more than 10-fold for both large and small containment strategies (ie, containment strategies targeting everyone in the surrounding community versus those targeting members of a specific school/organization). After inflating to 2016 USD, the 2 studies that reported total costs of small outbreak containment strategies ranged from \$50,438 to \$664,923 (average: \$357,681), and the 4 studies that reported total costs of large outbreak containment strategies ranged from \$125,916 to \$1,291,135 (average: \$692,167). (*Anonychuk A, Woo G, Vyse A, Demarteau N, Tricco AC. The cost and public health burden of invasive meningococcal disease outbreaks: a systematic review. Pharmacoeconomics. 2013;31 (7):563–576. doi:10.1007/s40273-013-0057-2*) (*US Department of Labor Bureau of Labor Statistics. Medical care component of consumer price index – all urban consumers (current series), not seasonally adjusted, table 1, medical care. Consumer Price Index for all urban consumers (CPI-U): U.S. city average, by expenditure category and commodity and service group. [accessed 2018 Mar 8]. <http://www.bls.gov/cpi/data.htm>*)

**An estimate, expressed as a total dollar figure, of the total implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.**

Total implementation and compliance costs:

Year 1 cost: \$2,789,529  
Year 2 cost: \$2,789,529  
Year 3 cost: \$2,789,529  
Year 4 cost: \$2,789,529  
Year 5 cost: \$2,789,529

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**Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?**

YES  NO

**Give a detailed statement of the data and methodology used in estimating the above cost estimate.**

The cost of the vaccine was measured against the cost of illness through loss of work hours and cost of medical care. Any other costs will be absorbed within the existing resources devoted to vaccine administration.

**Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.**

YES  NO

**G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.**

The proposed amended regulation will have no effect on cities, counties, or school districts within the state. However, when the notice of hearing for this regulation is published in the *Kansas Register*, standard agency procedure will be followed and the three organizations will be contacted electronically for comment with attached copies of the regulations, economic impact statement and published notice of hearing.

**H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).**

The agency consulted with representatives of hospitals, local health departments, private providers, health insurers and other interested parties through the Immunize Kansas Coalition meetings. Input was sought regarding impact of changing the regulation, with overwhelming support for the amendment.

**I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).**

N/A

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